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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re	:	<b>Chapter 11</b>
	:	
SEARS HOLDINGS CORPORATION, <i>et al.</i> ,	:	<b>Case No. 18-23538 (RDD)</b>
	:	
Debtors. <sup>1</sup>	:	<b>(Jointly Administered)</b>
	:	
-----X	:	

**NOTICE OF ALLOWED ADMINISTRATIVE EXPENSE CLAIMS**

**PLEASE TAKE NOTICE THAT:<sup>2</sup>**

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); SR – Rover de Puerto Rico, LLC (f/k/a Sears, Roebuck de Puerto Rico, Inc.) (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Rover Brands Business Unit, LLC (f/k/a Sears Brands Business Unit Corporation) (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

<sup>2</sup> Capitalized terms used herein shall have the meaning ascribed to such terms in the *Modified Second Amended Joint Chapter 11 Plan of Sears Holdings Corporation and Its Affiliated Debtors* [ECF No. 5139] (as may be amended, modified, or supplemented, the "**Plan**").

1. As a part of the claims reconciliation process, the Debtors are working with the Creditors' Committee and holders of Administrative Expense Claims to reconcile such Claims.

2. In particular, the Debtors are working with the Creditors' Committee and an Ad Hoc Vendor Group to reconcile Administrative Expense Claims (and resolve motions seeking payment of such Administrative Expense Claims and/or objections filed by the Debtors to such Administrative Expense Claims). In connection with such process, the Debtors, the Creditors' Committee and the Ad Hoc Vendor Group have agreed to allow certain Administrative Expense Claims in amounts agreed to by the applicable claimants, as set forth in **Exhibit A** (the "**Allowed Administrative Expense Claims**"). The Allowed Administrative Expense Claims resolve any and all motions for allowance of payment of the Administrative Expense Claims listed in **Exhibit A** and all motions and/or objections filed with respect thereto are deemed withdrawn upon entry of an order by the Bankruptcy Court (a) confirming the Plan and (b) approving the Administrative Expense Claims Consent Program, filed contemporaneously herewith.<sup>3</sup> The Debtors will update the claims register accordingly.

3. With respect to the assumption and assignment of certain executory contracts of Winiadaewoo Electronic America, Inc. ( "**Winiadaewoo**") to Transform Holdco LLC<sup>4</sup> and certain of Winiadaewoo's related cure claims (the "**Winiadaewoo Claims**") currently held by Hain (as defined below), the Debtors and the Creditors' Committee agree to support the Hain and its counsel in their efforts to enforce such assumption and assignment and payment of such cure claims. To the extent the Bankruptcy Court rules that the assumption and assignment of Winiadaewoo's contracts is

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<sup>3</sup> For the avoidance of doubt, nothing contained herein, including the delineation of proofs of claim set forth in **Exhibit A**, shall in any way affect, resolve, or otherwise impact the holders' general unsecured claims or objections thereto. All general unsecured claims of holders reflected in **Exhibit A** and any objections thereto are preserved.

<sup>4</sup> Winiadaewoo's contracts were noticed for assumption and assignment pursuant to the *Notice of Assumption and Assignment of Additional Executory Contracts* (ECF No. 3397).

not valid, the Debtors and the Creditors' Committee agree that the Winiadaewoo Claims are Allowed as 503(b)(9) Claims in the amount of \$6,001,408.53, in addition to the amounts set forth in Exhibit A.

4. The Allowance of the Administrative Expense Claims, as reflected in paragraphs 2 and 3 herein and Exhibit A, is contingent upon the entry of an order by the Bankruptcy Court (a) confirming the Plan and (b) approving an Administrative Expense Claims Consent Program—in the form acceptable to the Debtors, the Creditors' Committee, and the Ad Hoc Vendor Group. If the Plan is not confirmed and/or the Administrative Expense Claims Consent Program is not approved, all parties' rights with respect to confirmation of the Plan (including the Ad Hoc Vendor Group's rights to contest confirmation), as well as the asserted Administrative Expense Claims and the Allowance thereof (including the Debtors' rights to object to the Administrative Expense Claims) are reserved. Further, if the Plan is not confirmed and/or the Administrative Expense Claims Consent Program is not approved, the Debtors shall cause the confirmation hearing to be adjourned to a date and time that is reasonably acceptable to the Debtors, Creditors' Committee, and counsel for the Ad Hoc Vendor Group.

Dated: October 1, 2019  
New York, New York

/s/ Sunny Singh  
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**EXHIBIT A**

<b>Claim Numbers</b>	<b>Claimant</b>	<b>Allowed Amount</b>
8578, 8672, 14302, 5723, 13481, 13854, 18291, 18232, 18137, 18162, 18181, 18393, 17059, 17186, 17975, 17072, 16029, 17505, 17497, 18018, 16670, 17554, 17634, 17164, 17203, 17221, 18127, 16953, 17330, 17395, 7636, 7640, 7641, 7643, 7646, 8047, 5560, 5564, 5572, 5562, 5559, 5566, 5569, 5331, 5266, 7639, 7642, 7645, 7647, 7648, 1752, 5092, 5093, 13796, 663, 5218, 2873, 3365, 3377, 3490, 4446, 4449, 4477, 4486, 2875, 3035, 2883, 2413, 5646, 1920, 11360, 3352, 4284, 13944, 2003, 5648, 4400, 5323, 6310, 6317, 6322, 6328, 6334, 1107, 5702, 2712, 3048, 865, 607, 1333, 1459, 4585, 1567, 1603, 1718, 4467, 2935, 1509, 12870	Whitebox <sup>1</sup>	\$22,488,697.63
403, 45, 46, 155, 898, 8153, 8154, 8403, 68, 2054	Cherokee Debt Acquisition, LLC	\$533,555.00
8878, 9317, 9994, 8339, 8346, 15831, 7960, 7967, 7909	Hain Capital Investor Master Fund, Ltd. ("Hain") <sup>2</sup>	\$2,411,166.41 <sup>3</sup>

<sup>1</sup> "Whitebox" means Whitebox Asymmetric Partners, LP and Whitebox Multi-Strategy Partners, LP.

<sup>2</sup> \$373,976.92 on account of proof of claim number 8878, \$832,989.78 on account of proof of claim number 7960, and \$159,113.20 on account of proof of claim number 7967, shall remain unresolved and outstanding, subject to the respective rights of the Debtors, the Creditors' Committee, Hain and any predecessor or successor holder thereof.

<sup>3</sup> This includes all post-petition amounts due and/or outstanding on account of Bluestar Fashion NY Inc.